



Order Filed on January 6, 2021
by Clerk
U.S. Bankruptcy Court
District of New Jersey

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1

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Counsel to the Debtor

and Debtor in Possession

In re:

CONGOLEUM CORPORATION,

Debtor.¹

Chapter 11

Case No. 20-18488 (MBK)

Jointly Administered

**STIPULATION AND CONSENT ORDER BETWEEN DEBTOR AND
STEVENS & LEE, P.C. AUTHORIZING APPLICATION OF
SECURITY RETAINER TO PRE-PETITION INVOICES**

The relief set forth on the following pages, numbered two (2) through five (5), is hereby
ORDERED.

DATED: January 6, 2021


Honorable Michael B. Kaplan
United States Bankruptcy Judge

¹ The last four digits of the Debtor's federal tax identification number are 8678. The Debtor's corporate headquarters is located at 3500 Quakerbridge Road, Mercerville, New Jersey 08619.

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This Stipulation and Consent Order (the “Stipulation”) is made by and between Congoleum Corporation (the “Debtor”) and Stevens & Lee, P.C. (“Stevens & Lee” and, together with the Debtor, the “Parties”), individually and, in the case of the Debtor, by and through its counsel of record, with regard to the following facts:

WHEREAS, on or around May 22, 2015, the Debtor retained Stevens & Lee to provide it with employment advice and provided Stevens & Lee with a \$2,500 security retainer (the “Employment Advice Security Retainer”) in connection with that engagement; and

WHEREAS, on or around June 30, 2015, the Debtor retained Stevens & Lee to provide it with general corporate advice and provided Stevens & Lee with a \$2,500 security retainer (the “General Corporate Advice Security Retainer”) in connection with that engagement; and

WHEREAS, on or around July 22, 2015, the Debtor retained Stevens & Lee to provide it with outside general counsel services and provided Stevens & Lee with a \$10,000 security retainer (the “Outside General Counsel Security Retainer”) in connection with that engagement; and

WHEREAS, on or around July 22, 2015, the Debtor retained Stevens & Lee to provide it with general environmental advice and provided Stevens & Lee with a \$2,500 security retainer (together with the Employment Advice Security Retainer, the General Corporate Advice Security Retainer, and the Outside General Counsel Security Retainer, the “Security Retainers”) in connection with that engagement; and

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WHEREAS, the Debtor filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code on July 13, 2020 (the “Petition Date”); and

WHEREAS, on or around October 8, 2020, Stevens & Lee filed a proof of claim in the Debtor’s chapter 11 case [Claim No. 84] (the “Proof of Claim”), asserting a \$71,572.23 claim for fees for services rendered secured by the \$17,500.00 in Security Retainers held by Stevens & Lee; and

WHEREAS, Stevens & Lee has requested that the Debtor consent to relief from the automatic stay to enable it to apply the \$17,500.00 in Security Retainers to its total pre-petition claim irrespective of the basis for each individual retainer; and

WHEREAS, the Debtor, in consultation with its advisors, has determined that Stevens & Lee has a valid security interest in the Security Retainers; and

WHEREAS, the Parties wish to resolve issues relating to the application of the Security Retainers through this Stipulation;

NOW THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION WHICH THE PARTIES HERETO ACKNOWLEDGE RECEIVING, IT IS HEREBY STIPULATED, AGREED AND ORDERED AS FOLLOWS:

1. The recitals set forth above are hereby made an integral part of the Parties’ Stipulation and are incorporated herein.

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2. Pursuant to [11 U.S.C. § 362\(d\)\(1\)](#), Stevens & Lee shall be and hereby is granted relief from the automatic stay solely to the extent necessary to allow Stevens & Lee to apply the Security Retainers to its pre-petition claim.

3. Within three (3) days of the application of the Security Retainers to its pre-petition claim, Steven & Lee shall amend the Proof of Claim to reflect the reduced amount of its remaining claim against Debtor.

4. The Debtor and its successors and Stevens & Lee reserve all rights and remedies with respect to the validity of the balance of the Proof of Claim.

5. The Debtor and/or its successors are authorized to take any action necessary or appropriate to implement the terms of this Stipulation without further order from this Court.

6. The Bankruptcy Court will retain jurisdiction to resolve any and all disputes relating to this Stipulation.

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AGREED AND STIPULATED TO:

STEVENS & LEE, P.C.
Pro Se

COLE SCHOTZ P.C.
Counsel for Debtors and Debtors-in-Possession

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Dated: December 22, 2020

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